[redacted]

COLLABORATIVE RESEARCH AND LICENSE AGREEMENT

THIS COLLABORATIVE RESEARCH AND LICENSE AGREEMENT (this "Agreement") effective as of March 1, 2000 (the "Effective Date"), is entered into among THE BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA, on behalf of the University of Nebraska Medical Center (the "University"), with principal offices in Omaha, Nebraska 68198, UNEMED CORPORATION, a Nebraska corporation ("UneMed"), with principal offices in Omaha, Nebraska 68198, and APPLIED MOLECULAR EVOLUTION, INC., a Delaware corporation ("AME"), having a place of business located at 3520 Dunhill Street, San Diego, California 92121.

WITNESSETH:

WHEREAS, the University and UneMed own or have rights in certain intellectual property rights regarding butyrylcholinesterase ("BChE") and variants thereof and their use.

WHEREAS, the University and AME desire to conduct a collaborative program under the direction of Oksana Lockridge, Ph.D. ("Dr. Lockridge") to develop improved BChE variants.

WHEREAS, AME desires to obtain an exclusive worldwide license under the University and UneMed's patent rights regarding BChE, variants thereof and any inventions arising from such collaborative program to develop and commercialize products.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

For purposes of this Agreement, the terms defined in this Article 1 shall have the respective meanings set forth below:

1.1 "Affiliate" shall mean, with respect to any Person, any other Person which directly or indirectly controls, is controlled by, or is under common control with, such Person. A Person shall be regarded as in control of another Person if it owns, or directly or indirectly controls, at least fifty percent (50%) of the voting stock or other ownership interest of the other Person, or if it directly or indirectly possesses the power to direct or cause the direction of the management and policies of the other Person by any means whatsoever.

1.2 "BChE Inventions" shall mean, collectively, (a) BChE, and (b) all BChE variants, all compositions derived from BChE or any BChE variant, and all methods of making or using the foregoing, in each case of the items listed in clause (b) that are conceived, developed or reduced to practice either by Dr. Lockridge or persons under the direction or supervision of Dr. Lockridge or in the laboratories of Dr. Lockridge and persons under the direction or supervision of Dr. Lockridge.

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1.3 "Derived" or "derived" shall mean obtained, developed, created, synthesized, designed, derived or resulting from, based upon or otherwise generated (whether directly or indirectly, or in whole or in part).

1.4 "First Commercial Sale" shall mean, with respect to any Product, the first sale intended for use or consumption by the general public of such Product.

1.5 "Net Sales" shall mean, with respect to any Product, the manufacture, use, offer for sale, sale or import of which would infringe a Valid Claim (but for the license granted hereunder) in the country of sale, the invoiced sales price of such Product billed to independent customers who are not Affiliates, less (a) credits, allowances, discounts and rebates to, and chargebacks from the account of, such independent customers for spoiled, damaged, out-dated, rejected or returned Product; (b) actual freight and insurance costs incurred in transporting such Product; (c) cash, quantity and trade discounts and other price reductions; (d) sales, use, value-added and other direct taxes; (e) customs duties, surcharges and other governmental charges; and (f) reasonable reserves for uncollectable accounts, as reflected in financial statements of the seller, to the extent such accounts are not actually collected.

1.6 "Net Sublicensing Revenues" shall mean, with respect to any Product, the manufacture, use, offer for sale, sale or import of which would infringe a Valid Claim (but for a sublicense granted under the license granted hereunder) in the country of sale, the remainder of (a) the aggregate cash consideration, received by AME or its Affiliates in consideration for the sublicense under the Patent Rights by AME or its Affiliates to a Third Party sublicensee with respect to such Product (excluding amounts received in reimbursement of AME's cost to perform research, development or similar services conducted for such Product after signing the agreement with the Third Party, in reimbursement of patent or other out-of-pocket expenses on such Product, or in consideration for the purchase of any securities of AME or its Affiliates at [redacted] less (b) the aggregate amount of any license fees, milestone payments, royalties or other amounts paid by AME or its Affiliates to Third Parties to acquire rights to, or specifically for the development, manufacture, use or sale of, such Product.

1.7 "Patent Rights" shall mean (a) all patent applications heretofore or hereafter filed or having legal force in any country which claim any BChE Invention; (b) the University and UneMed's interest in all patent applications heretofore or hereafter filed or having legal force in any country which claim Program Inventions; (c) all patents that have issued or in the future issue from such patent applications, including utility models, design patents and certificates of invention; and (d) all divisionals, continuations, continuations-in-part, reissues, renewals, extensions or additions to any such patent applications and patents; in each case in which the University or UneMed has an ownership or licensable interest. Without limiting the foregoing, the Patent Rights also shall include all invention disclosures, rights to file patent applications and other intellectual property rights regarding any BChE Invention, in each case in which the University or UneMed has an ownership or licensable interest.

1.8 "Person" shall mean an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, pool, syndicate,

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sole proprietorship, unincorporated organization, governmental authority or any other form of entity not specifically listed herein.

1.9 "Products" shall mean any product that incorporates, contain, uses, is derived from or is based on BChE or any variant thereof.

1.10 "Program" shall mean the collaborative research program described generally in the research plan attached as Exhibit A.

1.11 "Program Inventions" shall mean any discovery, invention, technology, data or information (whether or not patentable) that is conceived or reduced to practice by persons on behalf of AME, the University or both during and in the performance of the Program.

1.12 "Royalty Term" shall mean, with respect to each Product in each country, if the manufacture, use or sale of such Product in such country at the time of the First Commercial Sale in such country would infringe a Valid Claim but for the license granted by this Agreement, the term for which such Valid Claim remains in effect and would, if in an issued patent, be infringed but for the license granted by this Agreement.

1.13 "Third Party" shall mean any Person other than the University, AME and their respective Affiliates.

1.14 "Valid Claim" shall mean either (a) a claim of an issued and unexpired patent included within the Patent Rights, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise, or (b) a claim of a pending patent application included within the Patent Rights, which claim was filed in good faith and has not been abandoned or finally disallowed without the possibility of appeal or refiling.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

2.1 Mutual Representations. Each party hereby represents and warrants to the other parties as follows:

2.1.1 Existence. Such party is duly organized, validly existing and in good standing under the laws of the state in which it is organized.

2.1.2 Authorization and Enforcement of Obligations. Such party (a) has the requisite power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all requisite action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

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2.1.3 No Consents. All necessary consents, approvals and authorizations of all governmental authorities and other Persons required to be obtained by such party in connection with this Agreement have been obtained.

2.1.4 No Conflict. The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws or regulations, and (b) do not conflict with, or constitute a default under, any contractual obligation of it.

2.2 University and UneMed Representations. The University and UneMed represent and warrant to AME as follows:

2.2.1 Ownership. The University and/or UneMed are the sole owners or exclusive licensees of the Patent Rights, and except as the University or UneMed has expressly informed AME in writing prior to the date of this Agreement, has not granted to any Third Party any license or other interest in the Patent Rights.

2.2.2 Third Party Patents. Neither the University nor UneMed is aware of any Third Party patent, patent application or other intellectual property rights that would be infringed (a) by practicing any process or method or by making, using or selling any composition which is claimed or disclosed in the Patent Rights, or (b) by making, using or selling Products.

2.2.3 Third Party Infringers. As of the Effective Date, neither the University nor UneMed is aware of any infringement by a Third Party of the Patent Rights.

ARTICLE 3
THE PROGRAM

3.1 Statement of Work. The University and AME shall conduct the Program in accordance with the research plan attached as Exhibit A. Each of the University and AME shall conduct its activities under the Program at its sole expense. The Program shall commence on March 1, 2000, and shall continue through February 28, 2001 (the "Program Period"), unless terminated earlier as provided below or extended by the mutual written agreement of the University and AME. The research plan attached as Exhibit A shall not be altered except by the mutual written agreement of the University and AME.

3.2 Principal Investigators.

3.2.1 The University shall conduct its activities under the Program under the direction of Dr. Lockridge, who shall be primarily responsible for the supervision and administration of the University's activities under the Program, in accordance with all applicable policies of the University and shall be the primary contact person at the University regarding the Program. The University shall conduct its activities under the Program solely in the laboratories of Dr. Lockridge and persons under the direction or supervision of Dr. Lockridge.

3.2.2 AME shall conduct its activities under the Program under the direction of Jeffry Watkins, Ph.D., who shall be primarily responsible for the supervision and administration

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of the AME's activities under the Program, in accordance with all applicable policies of AME and shall be the primary contact person at AME regarding the Program.

3.3 Materials.

3.3.1 At reasonable times during the Program Period, each of the University and AME shall deliver to the other reasonable research samples of the relevant materials (including without limitation BChE variants) developed by it under the Program, together with information, available to such party, that is necessary or useful regarding such materials and their use.

3.3.2 Neither AME nor the University shall use biological or other materials provided by the other, both prior to and throughout the Program Period, for any purpose other than the conduct of the Program and the exercise of its rights under this Agreement. Neither AME nor the University shall transfer such materials provided by the other to any individual or entity not working under the Agreement without the prior written consent of the other. If such materials are patented, or AME or the University, as applicable, elects to maintain confidentiality with respect thereto, their use shall be subject to Article 7 below.

3.4 Records and Reports.

3.4.1 Each of the University and AME shall keep complete and accurate records of its activities under the Program in accordance with established laboratory practices. Each of the University and AME shall have the right, upon reasonable notice and during reasonable business hours, to inspect and make copies of such records of the other.

3.4.2 Each of the University and AME shall provide the other with (a) quarterly written reports regarding its activities under the Program, the results thereof and any Program Inventions arising therefrom, together with (b) copies of all data resulting therefrom requested by the other. Each of the University and AME shall provide such reports and data [redacted] during the Research Period, and a comprehensive final report [redacted]

ARTICLE 4
LICENSE GRANT

4.1 Patent Rights. The University and UneMed hereby grant to AME an exclusive worldwide license (including the exclusive right to grant sublicenses) under the Patent Rights to make, use, offer for sale, sell and import the compositions, and to practice the processes and methods, that are claimed in the Patent Rights; provided, however, that the University and UneMed reserve the right under the Patent Rights to conduct noncommercial research by the University.

4.2 Sublicenses. AME shall give the UneMed prompt written notice of each sublicense under this Agreement. Each sublicense shall be subject to the terms and conditions of this Agreement.

4.3 Availability of Technology. [redacted] the University and UneMed shall provide AME with reasonable research samples of all materials,

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and with all information, available to the University or UneMed that is necessary or useful to develop and commercialize the Patent Rights hereunder. During the Program Period, each of the University and UneMed shall provide AME with such technical assistance as AME reasonably requests regarding the Patent Rights.

ARTICLE 5
ROYALTIES

5.1 Royalty Rate. During the Royalty Term, AME shall pay royalties to UneMed equal to (a) [redacted] and (b) [redacted]

5.2 Royalty Reports. During the term of this Agreement following the earlier of first grant of a sublicense hereunder or the First Commercial Sale of a Product, AME shall furnish to UneMed a quarterly written report showing in reasonably specific detail the calculation of the royalties owing under Section 5.1 above, and the withholding taxes, if any, required by law to be deducted in respect of such sales. With respect to sales of Products invoiced in United States dollars, such amounts shall be expressed in United States dollars. With respect to sales of Products invoiced in a currency other than United States dollars, such amounts shall be expressed in the domestic currency of the party making the sale together with the United States dollar equivalent of the royalty payable, calculated using the exchange rate [redacted] under the heading "Currency Trading," [redacted] during the applicable calendar quarter. Reports shall be due [redacted] AME shall keep complete and accurate records in sufficient detail to enable the royalties hereunder to be determined.

5.3 Payment Terms. Royalties shown to have accrued by each royalty report provided for under Section 5.1 above shall be due on the date such royalty report is due. Payment of royalties in whole or in part may be made in advance of such due date.

5.4 Exchange Control. If at any time legal restrictions prevent the prompt remittance of part or all royalties with respect to any country where the Product is sold, AME shall have the right, in its sole discretion, to make such payments by depositing the amount thereof in local currency to UneMed's account in a bank or other depository institution in such country. If the royalty rate specified in this Agreement should exceed the permissible rate established in any country, the royalty rate for sales in such country shall be adjusted [redacted]

5.5 Withholding Taxes. AME shall be entitled to deduct the amount of any withholding taxes, value-added taxes or other taxes, levies or charges with respect to such amounts, other than United States taxes, payable by AME, its Affiliates or sublicensees, or any taxes required to be withheld by AME, its Affiliates or sublicensees, to the extent AME, its Affiliates or sublicensees pay to the appropriate governmental authority on behalf of UneMed such taxes, levies or charges. AME shall use reasonable efforts to minimize any such taxes, levies or charges required to be withheld on behalf of UneMed by AME, its Affiliates or sublicensees. AME promptly shall deliver to UneMed proof of payment of all such taxes, levies

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and other charges, together with copies of all communications from or with such governmental authority with respect thereto.

5.6 Audits.

5.6.1 Upon the written request of UneMed and not more than once in each calendar year, AME shall permit an independent certified public accounting firm of nationally recognized standing selected by UneMed and reasonably acceptable to AME, at UneMed's expense, to have access during normal business hours to such of the records of AME as may be reasonably necessary to verify the accuracy of the royalty reports hereunder [redacted] The accounting firm shall disclose to UneMed only whether the reports are correct or not and the specific details concerning any discrepancies. No other information shall be shared.

5.6.2 If such accounting firm concludes that additional royalties were owed during such period, AME shall pay the additional royalties [redacted] The fees charged by such accounting firm shall be paid by UneMed; provided, however, if the audit correctly discloses that the royalties payable by AME for the audited period are [redacted], then AME shall pay the reasonable fees and expenses charged by such accounting firm.

5.7 Confidential Financial Information. The University and UneMed shall treat all financial information subject to review under this Article 5 as confidential, and shall cause its accounting firm to retain all such financial information in confidence under Article 7 below.

ARTICLE 6
RESEARCH AND DEVELOPMENT OBLIGATIONS

6.1 Research and Development Efforts. AME (whether itself or through its Affiliates or sublicensees) shall use commercially reasonable efforts (a) to conduct such research and development as AME determines are necessary or desirable to commercialize such Products as AME determines are commercially feasible, (b) to obtain any necessary regulatory approvals to market such Products, and (c) upon such approval, to commence marketing and market such Products in such countries as AME determines are commercially feasible.

6.2 Records. AME shall maintain records, in sufficient detail and in good scientific manner, which shall reflect all work done and results achieved in the performance of its research and development regarding the Products.

6.3 Reports. [redacted] AME shall prepare and deliver to UneMed a summary written report which shall describe (a) the research performed to date employing the Patent Rights, (b) the progress of the development, and testing of Products, and (c) the status of obtaining regulatory approvals to market Products.

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ARTICLE 7
CONFIDENTIALITY

7.1 Confidential Information. Except as otherwise provided in Section 7.3 below, during the term of this Agreement, and for a period [redacted] following the expiration or earlier termination hereof, AME on the one hand, and UneMed, Dr. Lockridge and the employees of the University and UneMed working on activities under this Agreement, shall maintain in confidence all information of another party (including samples) disclosed by such other party and identified as, or acknowledged to be, confidential (the "Confidential Information"), and shall not use, disclose or grant the use of the Confidential Information except on a need-to-know basis to those of its own, and its Affiliates', sublicensees' and assignees', directors, officers, affiliates, employees, agents, consultants, clinical investigators and contractors, to the extent such disclosure is reasonably necessary in connection with such party's activities as expressly authorized by this Agreement. To the extent that disclosure by a Person to any other Person is authorized by this Agreement, prior to disclosure, such Person shall obtain agreement of such other Person to hold in confidence and not make use of the Confidential Information for any purpose other than those permitted by this Agreement.

7.2 Terms of this Agreement. Except as otherwise provided in Section 7.3 below, no party shall disclose any terms or conditions of this Agreement to any Third Party without the prior consent of the other parties. Notwithstanding the foregoing, prior to execution of this Agreement, the parties shall agree upon the substance of information that can be used to describe the terms of this transaction, and any party may disclose such information, as modified by mutual agreement from time to time, without the other parties' consent.

7.3 Permitted Disclosures. The confidentiality obligations contained in Sections 7.1 and 7.2 above shall not apply to the extent that (a) any receiving party (the "Recipient") is required (i) to disclose information by law, order or regulation of a governmental agency or a court of competent jurisdiction, or (ii) to disclose information to any governmental agency for purposes of obtaining approval to test or market a product, provided in either case that the Recipient shall provide written notice thereof to the disclosing party and sufficient opportunity to object to any such disclosure or to request confidential treatment thereof; or (b) the Recipient can demonstrate that (i) the disclosed information was public knowledge at the time of such disclosure to the Recipient, or thereafter became public knowledge, other than as a result of actions of the Recipient in violation hereof; (ii) the disclosed information was rightfully known by the Recipient (as shown by its written records) prior to the date of disclosure to the Recipient by the disclosing party hereunder; (iii) the disclosed information was disclosed to the Recipient on an unrestricted basis from a source unrelated to any party to this Agreement and not under a duty of confidentiality to the disclosing party; or (iv) the disclosed information was independently developed by the Recipient without access to or use of the Confidential Information disclosed by the disclosing party. Notwithstanding any other provision of this Agreement, AME may disclose Confidential Information of the University or UneMed relating to information developed pursuant to this Agreement to any Person with whom AME has, or is proposing to enter into, a business relationship, as long as such Person has entered into a confidentiality agreement with AME.

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8.3.2 AME, at its sole expense, shall have the right to determine the appropriate course of action to enforce Patent Rights or otherwise abate the infringement thereof, to take (or refrain from taking) appropriate action to enforce Patent Rights, to control any litigation or other enforcement action and to enter into, or permit, the settlement of any such litigation or other enforcement action with respect to Patent Rights, and shall consider, in good faith, the interests of the University in so doing. If AME does not, [redacted] abate the infringement or file suit to enforce the Patent Rights against at least one infringing party, the University shall have the right to take whatever action it deems appropriate to enforce the Patent Rights; provided, however, that, [redacted], AME shall have the right to jointly prosecute such suit and to fund [redacted] costs of such suit. The party controlling any such enforcement action shall not settle the action or otherwise consent to an adverse judgment in such action that diminishes the rights or interests of the non-controlling party without the prior written consent of the other party.

8.3.3 All monies recovered upon the final judgment or settlement of any such suit to enforce the Patent Rights shall be shared, after reimbursement of expenses, by the University and/or UneMed on the one hand, and AME on the other hand, on a pro rata basis according to the respective percentages of costs borne by each in such suit. Notwithstanding the foregoing, each party shall reasonably cooperate with the other in the planning and execution of any action to enforce the Patent Rights.

ARTICLE 9
TERMINATION

9.1 Expiration. Subject to the provisions of Sections 9.2 and 9.3 below, this Agreement shall expire on the expiration of AME's obligation to pay royalties to UneMed under Section 5.1 above. Upon such expiration, AME shall have a fully-paid, worldwide license (with the right to grant sublicenses) to make, use, offer for sale, sell and import the compositions, and to practice the processes and methods, that are or were claimed in the Patent Rights.

9.2 Termination by AME. AME may terminate this Agreement, in its sole discretion, upon [redacted] prior written notice to the University and UneMed.

9.3 Termination for Cause:

9.3.1 Either the University or UneMed may terminate this Agreement upon or after the breach of any material provision of this Agreement by AME if AME has not cured such breach [redacted], provided, however, if any default is not capable of being cured [redacted] and AME is diligently undertaking to cure such default as soon as commercially feasible thereafter under the circumstances, the University and UneMed shall have no right to terminate this Agreement.

9.3.2 AME may terminate this Agreement upon or after the breach of any material provision of this Agreement by the University or UneMed if the University or UneMed has not cured such breach [redacted]

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7.4 Publication. Subject to the provisions of Sections 7.1 and 7.2 above, the University shall have the right to publish the results of the University's work under the Program; provided, however, that the University shall provide AME the opportunity to review any proposed manuscripts or any other proposed disclosure describing said work [redacted] prior to their submission for publication or other proposed disclosure. If AME believes patentable subject matter is disclosed in the manuscript or other disclosure and so notifies the University, or if such submission for publication or other disclosure would cause the loss of significant foreign patent rights, the University shall withhold such publication for a reasonable period of time, [redacted] until all applicable patent filings are completed in accordance with Article 8 below.

7.5 Names. Except as required by applicable law, regulation or court order, no party shall use the name of another party or another party's employees in any advertisement, press release or publicity with reference to the Agreement, without prior written approval of such other party, which approval shall not be unreasonably withheld.

ARTICLE 8
INVENTIONS AND PATENTS

8.1 Ownership of Program Inventions. All right, title and interest in all Program Inventions (together with all patent rights and other intellectual property rights therein) (a) conceived solely by persons acting on behalf of the University (the "University Inventions") shall be solely owned by the University, (b) conceived solely by persons acting on behalf of AME (the "AME Inventions") shall be owned solely by AME, and (c) conceived jointly by persons acting on behalf of the University and by persons acting on behalf of AME (the "Joint Inventions") shall be owned jointly by the University and AME. Each of the University and AME promptly shall disclose to the other the making, conception or reduction to practice of Program Inventions by persons acting on behalf of such party. Each of the University and AME represents that all employees and other Persons acting on its behalf in performing its obligations under the Program shall be obligated under a binding written agreement to assign to it, or as it shall direct, all Program Inventions conceived by such employees or other Persons.

8.2 Prosecution and Maintenance of Patent Rights. AME shall be responsible for and shall control, at its sole cost, the preparation, filing, prosecution and maintenance of the Patent Rights. AME shall give the University an opportunity to review and comment on the text of each patent application subject to this Section 8.2 before filing, and shall supply the University with a copy of such patent application as filed, together with notice of its filing date and serial number. The University shall cooperate with AME, execute all lawful papers and instruments and make all rightful oaths and declarations as may be necessary in the preparation, prosecution and maintenance of all patents and other filings referred to in this Section 8.2.

8.3 Enforcement of Patent Rights.

8.3.1 Each party shall notify the other party of any infringement known to such party of any Patent Rights and shall provide the other party with the available evidence, if any, of such infringement.

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provided, however, if any default is not capable of being cured [redacted] and the University or UneMed is diligently undertaking to cure such default as soon as commercially feasible thereafter under the circumstances, AME shall have no right to terminate this Agreement.

9.4 Effect of Expiration or Termination. Expiration or termination of this Agreement shall not relieve the parties of any obligations accruing prior to such expiration or termination, and the provisions of Articles 7, 8 and 10 shall survive the expiration or termination of this Agreement. Upon termination of this Agreement for any cause, AME shall notify the UneMed of the amount of Products that AME, its Affiliates or sublicensees then have on hand, and AME, its Affiliates and sublicensees shall thereafter have a non-exclusive license to sell such amount of Products, but no more; provided, however, that AME shall pay or cause to be paid any royalty owed thereon at the rate, at the time and in the manner herein provided for.

ARTICLE 10
INDEMNIFICATION

10.1 Indemnification. [redacted]

10.2 Procedure. The University or UneMed, as applicable, promptly shall notify AME of any liability or action [redacted] and AME shall have the right to participate in, and, to the extent AME so desires, [redacted] to assume the defense thereof with counsel selected by AME; [redacted]

10.3 Insurance. AME shall maintain insurance with respect to the research, development, manufacture and sales of Products by AME in such amount as AME customarily maintains with respect to the research, development, manufacture and sales of its similar

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products. AME shall maintain such insurance for so long as it continues to research, develop, manufacture or sell any Products, and thereafter for so long as AME customarily maintains insurance covering the research, development, manufacture or sale of its similar products.

ARTICLE 11
FORCE MAJEURE

No party shall be held liable or responsible hereunder nor be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement to the extent, and for so long as, such failure or delay is caused by or results from causes beyond the reasonable control of the affected party including but not limited to fire, floods, embargoes, war, acts of war (whether war be declared or not), insurrections, riots, civil commotions, strikes, lockouts or other labor disturbances, acts of God or acts, omissions or delays in acting by any governmental authority or another party (that is not an Affiliate).

ARTICLE 12
MISCELLANEOUS

12.1 Notices. Any consent, notice or report required or permitted to be given or made under this Agreement by one of the parties hereto to another party shall be in writing, delivered by any lawful means to such other party at its address indicated below, or to such other address as the addressee shall have last furnished in writing to the addressor and (except as otherwise provided in this Agreement) shall be effective upon receipt by the addressee.

If to the University:	University of Nebraska Medical Center Office of Business Affairs Omaha, Nebraska 68198 Attention: Richard Huston
If to UneMed:	UneMed Corporation 986099 Nebraska Medical Center Omaha, Nebraska 68198-6099 Attention: Thomas L. McDonald
If to AME:	Applied Molecular Evolution, Inc. 3520 Dunhill Street San Diego, California 92121 Attention: Lawrence E. Bloch
with a copy to:	Gray Cary Ware & Freidenrich LLP 4365 Executive Drive, Suite 1600 San Diego, California 92121 Attention: Mark R. Wicker

12.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State [redacted], without regard to the conflicts of law principles thereof.

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12.3 Assignment. No party may assign or otherwise transfer (whether voluntarily, by operation of law or otherwise) its rights or obligations under this Agreement without the prior written consent of the other parties; provided, however, that a party may, without such consent, assign this Agreement and its rights and obligations hereunder in connection with the transfer or sale of all or substantially all of its business, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement. Any purported assignment in violation of this Section 12.3 shall be void.

12.4 Waivers and Amendments. No change, modification, extension, termination or waiver of this Agreement, or any of the provisions herein contained, shall be valid unless made in writing and signed by duly authorized representatives of the parties hereto.

12.5 Entire Agreement. This Agreement embodies the entire agreement among the parties and supersedes any prior representations, understandings and agreements among the parties regarding the subject matter hereof. There are no representations, understandings or agreements, oral or written, among the parties regarding the subject matter hereof that are not fully expressed herein.

12.6 Severability. Any of the provisions of this Agreement which are determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable the remaining provisions hereof and without affecting the validity or enforceability of any of the terms of this Agreement in any other jurisdiction.

12.7 Waiver. The waiver by a party of any right hereunder or the failure to perform or of a breach by another party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by said other party whether of a similar nature or otherwise.

12.8 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date first set forth above.

THE BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA, on behalf of THE UNIVERSITY OF NEBRASKA MEDICAL CENTER

By David A. Crouse

Name Assoc V.C. Acad Aff

Title David A. Crouse

UNEMED CORPORATION

By Thomas McDonald

Name Thomas McDonald

Title President

APPLIED MOLECULAR EVOLUTION, INC.

By Lawrence E. Bloch

Name Lawrence E. Bloch, M.D., M.B.A.

Title Vice President of Business Development

PAGE 18/19 * RCVD AT 10/28/2004 5:16:21 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-1/3 * DNIS:8729306 * CSID:317 276 5172 * DURATION (mm-ss):06-32

EXHIBIT A
RESEARCH PLAN

The primary objective of the research collaboration between Applied Molecular Evolution, Inc. (AME) and University of Nebraska Medical Center (UNMC) is [redacted]

Activity	Initiated	Completed